United Nations A/57/538

General Assembly

Distr.: General
13 December 2002
English
Original: Arabic

Fifty-sixth session
Agenda item 93

High-level international intergovernmental consideration of financing for development

Report of the Second Committee

Rapporteur: Mr. Walid A. **Al-Hadid** (Jordan)

I. Introduction

1. At its 19th plenary meeting, on 20 September 2002, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-seventh session the item entitled "High-level international intergovernmental consideration of financing for development" and to allocate it to the Second Committee.

2. The Second Committee considered the item at its 29th, 34th, 38th and 43rd meetings, on 8, 14 and 20 November and 11 December 2002. An account of the Committee's discussion of the item is contained in the relevant summary records (A/C.2/57/SR.29, 34, 38 and 43). Attention is also drawn to the general debate held by the Committee at its 2nd to 8th meetings, from 30 September to 3 October (see A/C.2/57/SR.2-8).

3. For its consideration of the item, the Committee had before it the following documents:

(a) *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002*;[1]

(b) Report of the Secretary-General on follow-up efforts to the International Conference on Financing for Development (A/57/319-E/2002/85);

(c) Report of the Secretary-General on the outcome of the International Conference on Financing for Development (A/57/344);

(d) Note by the Secretariat on the International Conference on Financing for Development (A/C.2/57/4);

[1] United Nations publication, Sales No. E.02.II.A.7.

02-72845 (E) 171202

(e) Letter dated 20 September 2002 from the Permanent Representative of the Sudan to the United Nations addressed to the Secretary-General, transmitting the documents of the twenty-ninth session of the Islamic Conference of Foreign Ministers, held at Khartoum from 25 to 27 June 2002 (A/57/422-S/2002/1064);

(f) Letter dated 23 September 2002 from the Permanent Representative of Venezuela to the United Nations addressed to the Secretary-General, transmitting the Declaration adopted by the Ministers for Foreign Affairs of the Group of 77 at their twenty-sixth annual meeting, held at United Nations Headquarters on 19 September 2002 (A/57/444).

4. At the 29th meeting, on 8 November, the Executive Coordinator of the Financing for Development Coordinating Secretariat of the Department of Economic and Social Affairs, made an introductory statement (see A/C.2/57/SR.29).

II. Consideration of proposals

A. Draft resolutions A/C.2/57/L.36 and A/C.2/57/L.80

5. At the 34th meeting, on 14 November, the representative of Venezuela, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "High-level international intergovernmental consideration of financing for development" (A/C.2/57/L.36), which read:

"*The General Assembly*,

"*Recalling* its resolution 56/210 B of 9 July 2002, in which it endorsed the Monterrey Consensus of the International Conference on Financing for Development, which was adopted on 22 March 2002,

"*Stressing* the importance of staying fully engaged, nationally, regionally and internationally, in order to ensure proper follow-up to the implementation of agreements and commitments reached at the International Conference on Financing for Development, and of continuing to build bridges between development, finance and trade organizations and initiatives, within the framework of the holistic agenda of the Conference,

"*Recognizing* the link between financing for development and attaining internationally agreed development goals and objectives, including those contained in the Millennium Declaration, in measuring development progress and in helping to guide development cooperation priorities, as well as sustained economic growth and sustainable development,

"*Taking note* of the communiqué of the Development Committee of the World Bank dated 28 September 2002, and welcoming in particular the decision of the Committee, in paragraph 10 of the communiqué, in which it requested the World Bank and the International Monetary Fund to prepare a background document to facilitate consideration of pragmatic and innovative ways to further enhance participation of developing countries in the work of both institutions, consistent with the principles of justice, equity, democracy, participation, transparency, accountability and inclusion,

"1. *Requests* the Secretary-General, in collaboration with the secretariats of relevant institutional stakeholders, fully utilizing the mechanisms of the United Nations System Chief Executives Board for Coordination, with the effective support of the United Nations Secretariat and building on the successful experience in the preparations for the International Conference on Financing for Development, to prepare a comprehensive report on the implementation and follow-up to commitments and agreements made at the International Conference, focusing on progress achieved under each of the following subtitles:

"**Mobilizing domestic financial resources for development**

"• Measures taken by the international community to support efforts to create an enabling environment at the national level, especially through the provision of capacity-building support to developing countries;

"**Mobilizing international resources for development: foreign direct investment and other private flows**

"• Measures taken in source countries and by multilateral and regional institutions, including new mechanisms and instruments to facilitate and support private capital flows, including foreign direct investment, to developing countries and their impact;

"• Steps taken to encourage good corporate governance;

"• Actions by multilateral, regional and subregional development institutions to reinforce financial and technical support to developing countries in order to mitigate the lack of access to private capital and the sharp reduction of international financial flows, as well as to contribute to their efforts to increase economic growth and reduce poverty;

"**International trade as an engine for development**

"• Progress achieved in dealing with issues of particular concern to developing countries and countries with economies in transition regarding international trade in order to enhance their capacity to finance development, including: trade barriers, trade-distorting subsidies and other trade-distorting measures, particularly in sectors of special export interest to developing countries, including agriculture; the abuse of anti-dumping measures; technical barriers and sanitary and phytosanitary measures; trade liberalization in labour-intensive manufactures; trade liberalization in agricultural products; trade in services; tariff peaks, high tariffs and tariff escalation, as well as non-tariff barriers; the movement of natural persons; the lack of recognition of intellectual property rights for the protection of traditional knowledge and folklore; the transfer of knowledge and technology; the implementation and interpretation of the Agreement on Trade-Related Aspects of Intellectual Property Rights of the World Trade Organization in a manner supportive of public health; and the need for special and differential treatment provisions for developing countries in trade agreements to be made more precise, effective and operational;

"• Progress in multilateral assistance to mitigate the consequences of depressed export revenues of countries that still depend heavily on commodity exports and an assessment of the effectiveness of the recent review of the International Monetary Fund Compensatory Financing Facility, as well as progress in empowering developing country commodity producers to insure themselves against risk, including against natural disasters, and in the efforts of multilateral aid agencies to strengthen their support to export diversification programmes in those countries;

"• Reasons behind the lack of progress in the implementation of the work programme adopted at the Fourth Ministerial Conference of the World Trade Organization, held at Doha from 9 to 13 November 2001, especially in the areas of agriculture, special and differential treatment, and other implementation issues of concern to developing countries;

"• Efforts to facilitate the accession of developing countries to the World Trade Organization on fair and reasonable terms, taking into account the particularities of each country;

"• Multilateral efforts to mitigate the consequences of depressed export revenues of countries that still depend heavily on commodity exports;

"• Efforts by developed countries towards the goal of duty-free and quota-free access to all markets for all least developed countries' exports, as envisaged in the Programme of Action for the Least Developed Countries for the Decade 2001-2010 adopted at the Third United Nations Conference on the Least Developed Countries, held at Brussels from 14 to 20 May 2001;

"Increasing international financial and technical cooperation for development

"• Progress towards achieving internationally agreed official development assistance targets, including a breakdown of its sources and procedures;

"• Efforts in enhancing efficiency of official development assistance and its delivery, in particular progress in the use of development frameworks that are owned and driven by developing countries as a vehicle for aid delivery;

"• Steps taken by the international community towards finding innovative sources of financing for development;

"• Steps taken by multilateral institutions to provide adequate financing to countries challenged by poverty;

"• Progress in the implementation of unilateral official development assistance commitments announced at the International Conference on Financing for Development;

"**External debt**

"• Measures to deal with the slow implementation of the Heavily Indebted Poor Countries Initiative and reasons behind this slow pace of implementation;

"• Steps taken to ensure that reviews of debt sustainability should bear in mind the impact of debt relief on progress towards the achievement of the development goals contained in the Millennium Declaration;

"• Progress in the review of the computational procedures and assumptions underlying debt sustainability analysis and towards taking into account any worsening global growth prospects and declining terms of trade;

"• Measures taken to devise innovative mechanisms to comprehensively address debt problems of developing countries, including middle-income countries;

"**Addressing Systemic Issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development**

"• Actions taken by all relevant multilateral institutions to enhance the effective participation of developing countries in decision-making and norm-setting;

"• Actions to promote financial stability and to put in place policies and rules that mitigate the impact of financial volatility and improve transparency and information about financial flows;

"• Actions by the international financial institutions towards supporting national programmes to concentrate on macroeconomic policies critical to the objectives of those programmes and the extent to which they take into account social circumstances, implementing capacities, the strengthening of national ownership and the need for economic growth and development;

"• Support by international financial institutions for countries affected by financial crisis and efforts to ensure that these institutions are provided with adequate resources so that they can supply timely emergency financing;

"• Progress made by the international community to prevent the acts of corruption as well as for the return of the illegally acquired funds and assets to the countries of origin, including a progress report on the status of negotiations to finalize the international convention against corruption;

"• Progress achieved to enhance the stabilizing role of regional and subregional reserve funds, swap arrangements and similar mechanisms that complement the efforts of international financial institutions;

"• Steps taken to arrange a new allocation of special drawing rights in order to enhance financial stability and the prospect of development for developing countries;

"• Assessment of efforts made by the private sector to use transparent and objective criteria for sovereign risk assessment;

"• An assessment of progress in the global information campaign stipulated the Monterrey Consensus as well as its impact on generating awareness and additional resources to finance development;

"2. *Decides* that the preparatory work and reports of the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization, as well as the preparatory process of the General Assembly high-level dialogue, would serve as inputs in the preparation of the comprehensive report, which would be presented on an annual basis to the General Assembly, under the agenda item on follow-up to the International Conference on Financing for Development, as well as to the biennial high-level dialogue of the General Assembly;

"3. *Decides*, in this regard, that both the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization and the consideration of the follow-up to the International Conference on Financing for Development would be considered as intermediary steps in preparation for the biennial high-level dialogue of the General Assembly."

6. At the 43rd meeting, on 11 December, the Chairman of the Committee introduced a draft resolution entitled "High-level international intergovernmental consideration of financing for development" (A/C.2/57/L.80), which he submitted on the basis of informal consultations held on draft resolution A/C.2/57/L.36.

7. At the same meeting, the Committee adopted draft resolution A/C.2/57/L.80 (see para. 16, draft resolution I).

8. In the light of the adoption of draft resolution A/C.2/57/L.80, draft resolution A/C.2/57/L.36 was withdrawn by its sponsors.

B. Draft resolutions A/C.2/57/L.44 and A/C.2/57/L.62

9. At the 38th meeting, on 20 November, the representative of Venezuela, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development" (A/C.2/57/L.44), which read:

"*The General Assembly*,

"*Recalling* its resolution 56/210 B of 9 July 2002, by which it endorsed the Monterrey Consensus as adopted by the International Conference on Financing for Development on 22 March 2002 and requested the Secretary-General to include in his report to the General Assembly at its fifty-seventh session on the outcome of the Conference, measures taken as well as his proposals for ensuring effective secretariat support to the follow-up efforts to the Conference,

"*Stressing* the importance of providing sustained follow-up within the United Nations system to the agreements and commitments reached at the

Conference and ensuring effective secretariat support, in pursuance of paragraph 72 of the Monterrey Consensus, building on the innovative and participatory modalities and related coordination arrangements utilized in the preparations of the Conference,

"*Recalling* Economic and Social Council resolution 2002/34 of 26 July 2002, in which the Council, inter alia, decided to promote a coherent and integrated response on the part of the different departments, units, funds, programmes and specialized agencies, each in its specific area of competence,

"*Recalling also* the report of the Committee for Programme and Coordination on the work of its forty-second session, in which the Committee recommended that, following the endorsement of the Monterrey Consensus by the General Assembly, the Secretary-General prepare a proposal for a new subprogramme on financing for development under programme 7, Economic and social affairs, of the medium-term plan for the period 2002-2005, for consideration by the General Assembly at its fifty-seventh session,

"*Taking note* of the report of the Secretary-General on the outcome of the International Conference on Financing for Development, which includes proposals for ensuring effective secretariat support, and recommends that the General Assembly provide further guidance to ensure an effective and sustained follow-up to the Conference, with regard to both the intergovernmental process and secretariat support in the light of the approaches outlined in the report, and also taking note of the report of the Secretary-General on follow-up efforts to the International Conference on Financing for Development,

"*Considering* measures taken and proposals made by Member States and by the Secretary-General in the current process aimed at strengthening the United Nations,

"1. *Reaffirms* that the International Conference on Financing for Development constituted a new approach to development cooperation by the international community and that its implementation and follow-up should be given the highest priority and have a central place in the economic and social work of the United Nations;

"2. *Requests* the Secretary-General to establish, as soon as possible, a high-level, central and visible secretariat support structure within the Department of Economic and Social Affairs of the Secretariat with a distinct function to provide effective and substantive secretariat support for the sustained follow-up within the United Nations system of the agreements and commitments reached at the International Conference on Financing for Development, in line with his proposals set out in paragraph 48 of his report on the outcome of the Conference, with collaboration from other agencies and institutional stakeholders;

"3. *Decides* that the functions of the new secretariat support structure should be of an integrating, cross-cutting and holistic nature and should include, inter alia, the following:

"(a) Serving as a focal point in the United Nations Secretariat for overall follow-up to the implementation of the International Conference on Financing

for Development, including the required collaboration and interaction with the major institutional stakeholders, the regional commissions and development banks, as well as other relevant bodies;

"(b) Providing secretariat support, which includes the preparation of multi-stakeholder reports and other documents, to the intergovernmental processes entrusted with the follow-up to the Monterrey Conference, including: (i) the annual special high-level meeting between the Economic and Social Council, the Bretton Woods institutions and the World Trade Organization, and any other intergovernmental bodies, in collaboration with the Economic and Social Council support division; (ii) the General Assembly high-level dialogue on strengthening international cooperation for development through partnership which is being reconstituted;

"(c) Supporting and facilitating the participation of non-institutional stakeholders (civil society and the business sector) in events related to the financing for development process;

"(d) Following closely and, as appropriate, contributing to ongoing deliberations, both in United Nations and non-United Nations forums, on issues and policies related to the international economic, financial and development cooperation;

"(e) Keeping under review and, as appropriate, supporting actions taken at the national, regional and international levels in follow-up to the Conference, as well as within the framework of international economic, financial and development cooperation in general;

"4. *Requests* the Secretary-General to take immediate measures to make the secretariat support structure operational as soon as possible and to accord priority to the following main tasks related to follow-up activities: (a) promoting coherence and an integrated approach within the United Nations to issues related to financing for development; (b) intensifying interactions with the World Bank, the International Monetary Fund and the World Trade Organization, as well as with other institutional stakeholders; (c) continuing the involvement of other relevant stakeholders, including civil society organizations and the private sector; and (d) preparing inputs for consideration by the intergovernmental bodies concerned, particularly the high-level dialogue on strengthening international cooperation for development through partnership;

"5. *Invites* Member States and all institutional stakeholders in the financing for development process to extend their full support to and cooperation with the new secretariat support structure in fulfilling its tasks, including, as appropriate and feasible, through the secondment of full-time officials;

"5 bis. *Also invites* non-institutional stakeholders in the financing for development process to extend their full support to and cooperation with the new secretariat support structure in fulfilling its tasks;

"6. *Decides* that the provisions of the present resolution should be implemented in the initial period, to the extent possible, by utilization of existing resources starting at the beginning of 2003, bearing in mind the

proposals of the Secretary-General set out in paragraph 48 of his report on the outcome of the International Conference on Financing for Development concerning the need to ensure broad inter-agency participation and close inter-agency collaboration, as well as by use of available extrabudgetary resources and, in this context, requests the Secretary-General to continue to seek voluntary contributions to the Trust Fund for the Follow-up to the International Conference on Financing for Development;

"7. *Requests* the Secretary-General to submit to the General Assembly at its fifty-eighth session a report on the implementation of the present resolution;

"8. *Decides* to include in the regular programme of work of the General Assembly an item entitled 'Follow-up to the International Conference on Financing for Development'."

10. At the 43rd meeting, on 11 December, the Chairman of the Committee introduced a draft resolution entitled "Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development" (A/C.2/57/L.62), which he submitted on the basis of informal consultations held on draft resolution A/C.2/57/L.44.

11. At the same meeting, the Director of the Programme Planning and Budget Division of the Office of Programme Planning, Budget and Accounts introduced a statement of the programme budget implications of the draft resolution (A/C.2/57/L.74).

12. The Executive Coordinator of the Financing for Development Coordinating Secretariat of the Department of Economic and Social Affairs also made a statement (see A/C.2/57/SR.43).

13. At the same meeting, the representatives of Mexico, Denmark (on behalf of the States Members of the United Nations that are members of the European Union), Venezuela (on behalf of the States Members of the United Nations that are members of the Group of 77 and China) and the United States of America made statements (see A/C.2/57/SR.43).

14. Also at the 43rd meeting, the Committee adopted draft resolution A/C.2/57/L.62 (see para. 16, draft resolution II).

15. In the light of the adoption of draft resolution A/C.2/57/L.62, draft resolution A/C.2/57/L.44 was withdrawn by its sponsors.

III. Recommendations of the Second Committee

16. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I
High-level international intergovernmental consideration of financing for development

The General Assembly,

Recalling its resolution 56/210 B of 9 July 2002, in which it endorsed the Monterrey Consensus of the International Conference on Financing for Development,[2] which was adopted on 22 March 2002,

Welcoming the initiatives and efforts, on the part of relevant actors in the financing for development process from the public and private sector and from civil society, to stay fully engaged, nationally, regionally and internationally, so as to ensure proper follow-up to the implementation of agreements and commitments reached at the Conference, and to continue to build bridges between development, finance and trade organizations and initiatives, within the framework of the holistic agenda of the Conference,

Recognizing the link between financing for development and attaining internationally agreed development goals and objectives, including those contained in the United Nations Millennium Declaration,[3] in measuring development progress and in helping to guide development priorities, as well as sustained economic growth and sustainable development,

Emphasizing that the international financial system should support sustainable development, sustained economic growth and poverty eradication and should allow for the mobilization, in a coherent manner, of all sources of financing for development, including the mobilization of domestic resources, international flows, trade, official development assistance and external debt relief,

Taking note of the communiqués of the Development Committee dated 21 April and 28 September 2002 and the communiqué of the International Monetary and Financial Committee dated 28 September 2002,

1. *Underscores its firm commitment* to the full and effective implementation of the Monterrey Consensus of the International Conference on Financing for Development,[2] and, in that regard, to promoting a holistic approach to the interconnected national, international and systemic challenges of financing for development, in active partnership with the Bretton Woods institutions, the World Trade Organization and other relevant institutional stakeholders, civil society and the private sector, including through collective and coherent action in every area of the Consensus;

2. *Reiterates* that success in meeting the objectives of development and poverty eradication depends, inter alia, on good governance within each country and at the international level. Sound economic policies, solid democratic institutions responsive to the needs of the people and improved infrastructure are the basis for sustained economic growth, poverty eradication and employment creation. Transparency in the financial, monetary and trading systems and the commitment to

---

[2] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7).

[3] See resolution 55/2.

an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system are equally essential;

3. *Expresses concern* about the difficulties of the present world economic situation and stresses the importance of confronting it through strong cooperative efforts by all countries and institutions, and underlines the importance of continued efforts to improve global economic governance and strengthen the United Nations leadership role in promoting development;

4. *Calls* for the integrated consideration of trade, finance, investment, technology transfer and development issues and, to that end, re-emphasizes the urgency of coherent action by the United Nations, the Bretton Woods institutions and the World Trade Organization, as appropriate, along with the action of Governments, to promote equitable and broad sharing in the benefits of globalization, taking into account the specific vulnerabilities, concerns and needs of developing countries;

5. *Recognizes* that an enabling domestic environment is vital for mobilizing domestic resources, increasing productivity, reducing capital flight, encouraging the private sector, and attracting and making effective use of international investment and assistance. Efforts to create such an environment should be supported by the international community;

6. *Encourages* all Governments to combat corruption, bribery, money-laundering and the transfer of illicitly acquired funds and assets and to work for the return of such funds and assets to the countries of origin, and welcomes actions taken in that regard at the national and international levels;

7. *Stresses* the need for structural reforms to strengthen corporate governance, accounting and auditing, in particular when inadequate policies can have systemic consequences;

8. *Stresses* the importance of strong domestic institutions that promote business activities and financial stability for the achievement of growth and development, inter alia, through sound macroeconomic policies and policies aimed at strengthening the regulatory systems of the corporate, financial and banking sectors;

9. *Considers* that, in the context of the current world economic situation, the multilateral trading system should be reinforced by achieving a balanced outcome of the Doha negotiations which responds to the interests of all the members of the World Trade Organization, in particular the developing countries, by giving concrete shape to the development-related provisions of the work programme of the World Trade Organization and by working to ensure that the concerns of developing countries, in particular in terms of implementation issues and special and differential treatment, are properly and effectively addressed in accordance with the Doha Ministerial Declaration,[4] as amended by the action of the General Council of the World Trade Organization;

10. *Recognizes* that trade rules and issues in the post-Doha framework should have a clear development content;

[4] See A/C.2/56/7, annex.

11. *Expresses concern* about the adoption of a number of unilateral actions that are not consistent with World Trade Organization rules, that harm the exports of all countries, in particular those of developing countries, and that have a considerable bearing on the ongoing World Trade Organization negotiations and on the achievement and further enhancement of the development dimension of the trade negotiations;

12. *Welcomes* the commitments announced at the International Conference on Financing for Development to increase the levels and effectiveness of official development assistance, looks forward to the early availability of the resources committed in keeping with the announced time frames, urges developed countries that have not done so to make concrete efforts towards the target of 0.7 per cent of gross national product as official development assistance to developing countries and 0.15 per cent to 0.20 per cent of gross national product to least developed countries, and encourages developing countries to build on progress achieved in ensuring that official development assistance is used effectively to help achieve development goals and targets;

13. *Reaffirms* the determination, as expressed in the United Nations Millennium Declaration,[3] to deal comprehensively and effectively with the debt problems of low- and middle-income developing countries, through various national and international measures designed to make their debt sustainable in the long term;

14. *Reaffirms also* that reviews of debt sustainability should also bear in mind the impact of debt relief on progress made towards the achievement of the development goals contained in the Millennium Declaration and that debt sustainability analysis at the completion point needs to take into account any worsening global growth prospects and declining terms of trade; in addition, efforts to strengthen the transparency and integrity of debt sustainability analysis should continue;

15. *Stresses*, in the consideration of any new debt resolution mechanism, the importance of a broad discussion in the appropriate forums, with the participation of all interested actors, welcomes the steps taken by the international financial institutions to take into account social aspects and the borrowing costs for developing countries, encourages them to continue their efforts in that regard and reiterates that the adoption of such a mechanism should not preclude emergency financing in times of crisis;

16. *Stresses* the special importance of creating an enabling international economic environment through strong cooperative efforts by all countries and institutions to promote equitable economic development in a world economy that benefits all people and, in that context, invites developed countries, in particular major industrialized countries, which have significant weight in influencing world economic growth, when formulating their macroeconomic policies, to take into account whether their effects in terms of the external economic environment would be favourable to growth and development;

17. *Notes* the impact of financial crisis or risk of contagion in developing countries and countries with economies in transition, regardless of their size, and in that regard underlines the need to ensure that the international financial institutions, including the International Monetary Fund, have a suitable array of financial

facilities and resources to respond in a timely and appropriate way, in accordance with their policies;

18. *Takes note* of the communiqué of the Development Committee dated 28 September 2002, in particular paragraph 10, on the need to identify pragmatic and innovative ways further to enhance the participation of developing countries and countries with economies in transition in international decision-making and norm-setting, and encourages all relevant international financial institutions to take concrete measures towards this end;

19. *Invites* the International Monetary Fund to continue its work on quotas, and welcomes the continuing consideration by the Fund of its quota review and the reiteration by the International Monetary and Financial Committee that the Fund should have adequate resources to fulfil its financial responsibilities and that quotas should reflect developments in the international economy;

20. *Requests* the Secretary-General, in collaboration with the secretariats of relevant institutional stakeholders, fully utilizing the mechanisms of the United Nations System Chief Executives Board for Coordination, with the effective support of the United Nations Secretariat and building on the successful experience in the preparations for the International Conference on Financing for Development, to prepare a comprehensive report on the implementation and follow-up to commitments and agreements made at the Conference, focusing on progress achieved in all areas covered by the Monterrey Consensus;

21. *Decides* that the preparatory work and reports of the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization, as well as the preparatory process of the General Assembly high-level dialogue, should serve as inputs in the preparation of the comprehensive report, which would be submitted on an annual basis to the General Assembly, under the agenda item on follow-up to the International Conference on Financing for Development, as well as to the biennial high-level dialogue of the General Assembly;

22. *Stresses* the importance of making progress on all fronts and enhancing the coherence and synergies of all development efforts and, in the spirit of the strategic partnership launched at Monterrey, requests the President of the General Assembly to bring the present resolution to the attention of the Board of Executive Directors of the World Bank and the Executive Board of the International Monetary Fund before the 2003 spring meetings of the International Monetary and Financial Committee and the Development Committee, as well as to the attention of the General Council of the World Trade Organization, as an input to the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and the World Trade Organization to be held in April 2003 and the subsequent high-level dialogue of the General Assembly on financing for development to be held in the second half of 2003.

Draft resolution II
Ensuring effective secretariat support for sustained follow-up to the outcome of the International Conference on Financing for Development

The General Assembly,

Recalling its resolution 56/210 B of 9 July 2002, by which it endorsed the Monterrey Consensus of the International Conference on Financing for Development[5] and requested the Secretary-General to include, in his report to be submitted to it at its fifty-seventh session on the outcome of the Conference, measures taken as well as his proposals for ensuring effective secretariat support to the follow-up efforts to the Conference,

Stressing the importance of providing sustained follow-up within the United Nations system to the agreements and commitments reached at the Conference and ensuring effective secretariat support, with collaboration from the secretariats of the major stakeholders concerned, fully utilizing the United Nations System Chief Executives Board for Coordination mechanism, in pursuance of paragraph 72 of the Monterrey Consensus, and building on the innovative and participatory modalities and related coordination arrangements utilized in the preparations of the Conference,

Recalling Economic and Social Council resolution 2002/34 of 26 July 2002, in which the Council, inter alia, decided to promote a coherent and integrated response within the United Nations on the part of the different departments, units, funds, programmes and specialized agencies, each in its specific area of competence,

Recalling also the report of the Committee for Programme and Coordination on the work of its forty-second session, in which the Committee recommended that, following the endorsement of the Monterrey Consensus by the General Assembly, the Secretary-General prepare a proposal for a new subprogramme on financing for development under programme 7, Economic and social affairs, of the medium-term plan for the period 2002-2005, for consideration by the General Assembly at its fifty-seventh session,[6]

1. *Takes note with appreciation* of the reports of the Secretary-General on the outcome of the International Conference on Financing for Development[7] and on follow-up efforts to the Conference;[8]

2. *Reaffirms* that the Conference constituted a new approach by the international community and that its implementation and follow-up should be given a very high priority in the economic and social work of the United Nations;

3. *Requests* the Secretary-General to establish, as soon as possible, from within existing resources of the United Nations Secretariat, appropriate secretarial

---

[5] *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

[6] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 16* (A/57/16), para. 107.

[7] A/57/344.

[8] A/57/319.

support arrangements along the lines envisioned in paragraph 48 of the Secretary-General's report on the outcome of the Conference,[7] with collaboration from other agencies and institutional stakeholders and with a distinctive function to provide effective substantive secretariat support for sustained follow-up within the United Nations of the agreements and commitments reached at the Conference;

4. *Decides* that the functions of the new secretariat support structure should be of an integrating, cross-cutting and holistic nature and that it should, inter alia, serve as a focal point in the United Nations Secretariat for overall follow-up to the implementation of the outcome of the Conference, provide secretariat support to the intergovernmental process entrusted with the follow-up to the Conference, support and facilitate the participation of all stakeholders, follow closely issues and policies related to international economic, financial and development cooperation, and keep under review actions taken at all levels in follow-up to the Conference, as well as within the framework of international economic, financial and development cooperation in general;

5. *Requests* the Secretary-General to accord priority to the following main tasks related to follow-up activities: (a) promoting coherence and an integrated approach within the United Nations to issues related to financing for development, fully utilizing the United Nations System Chief Executives Board for Coordination mechanism; (b) intensifying interactions with the secretariats of the World Bank, the International Monetary Fund and the World Trade Organization, as well as other institutional stakeholders; (c) continuing the involvement of other relevant stakeholders, including civil society organizations and the private sector; and (d) preparing inputs for consideration by the intergovernmental bodies concerned;

6. *Invites* Member States and all institutional and non-institutional stakeholders in the financing for development process to extend their full support to and cooperate fully with the new secretariat support structure in fulfilling its tasks;

7. *Decides* that the provisions of the present resolution should be implemented, utilizing existing resources, starting at the beginning of 2003;

8. *Requests* the Secretary-General to seek voluntary contributions to support the follow-up to the Conference;

9. *Requests* the Secretary-General, as a part of his consolidated report on financing for development, to report to the General Assembly at its fifty-eighth session on the implementation of the present resolution.